

**BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO**

In the Matter of the Protest of	)	
	)	DOCKET NO. 20089
[REDACTED],	)	
	)	DECISION
Petitioner.	)	
_____	)	

On January 23, 2007, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted] proposing income tax, penalty, and interest for taxable year 2000 in the amount of \$3,456.

The petitioner filed a timely protest. He did not request a hearing. The Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

The Bureau determined the petitioner was an Idaho resident who had not filed Idaho individual income tax returns for the years 2000 through 2004. [Redacted]

Idaho Code § 63-3045(1)(a) stated:

**63-3045. Notice of redetermination or deficiency --**  
**Interest.** (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63)

days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax commission and obtain redetermination of the deficiency.

The Bureau sent the petitioner a letter asking for information. When the Bureau did not receive a response from the petitioner, it prepared a return on his behalf for tax year 2000 based on available records. The records indicated the income amounts and resulting tax due was not worth pursuing returns for tax years 2001 through 2004. Therefore, tax years 2001 through 2004 were not included in the NODD.

The petitioner protested the amounts shown in the NODD. He said: "Petitioner does not owe the Idaho State Tax Commission as will be evidenced by the tax return presently being prepared for filing for the year ending 12/31/2000." The Bureau sent the petitioner a letter accepting his protest. His file was transferred to the Legal/Tax Policy Division of the Tax Commission for administrative review. The petitioner did not respond to a letter from the Tax Policy Specialist advising him of his appeal rights.

The petitioner met the requirements for filing an Idaho individual income tax return for 2000 but did not file a return. The filing status of single with one exemption and the standard deduction was used to calculate the petitioner's Idaho individual income tax responsibility based on income amounts reported to the [Redacted] Tax Commission. Withholding in the amount of \$818 reduced the resulting tax due.

The Tax Commission has received nothing to suggest the income amounts used in the NODD prepared by the Bureau were in error. The petitioner objected to the penalties stating: "Penalties have been computed at a 25 percent ratio contrary to Rule 320." Administrative and Enforcement Rule 320 deals with filing a protest.

Idaho Code § 63-3045(6)(b) stated in pertinent part:

(b) Interest upon any deficiency shall be assessed at the same time as the deficiency, shall be due and payable upon notice and demand from the state tax commission and shall be collected as a part of the tax at the rate per annum determined under the provisions of subsection (6)(c) of this section from the date prescribed for the payment of the tax. . . .

Idaho Code § 63-3046(c) stated:

(c) In the event the return required by this chapter is not filed, there may be collected a penalty of five percent (5%) of the tax due on such returns for each month elapsing after the due date of such returns until the return is filed or the penalty amounts to twenty-five percent (25%) of the tax due on such returns.

The penalty and interest additions were calculated in conformity with Idaho Code §§ 63-3045 and 63-3046.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Idaho App. 1986). Having presented no information in support of his argument, the petitioner has failed to meet his burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated January 23, 2007, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the petitioner pays the following tax,

penalty, and interest for 2000:

<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$2,126	\$532	\$876	\$3,534

Interest is computed through October 15, 2007.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of petitioner's right to appeal this decision is enclosed with this decision.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

IDAHO STATE TAX COMMISSION

\_\_\_\_\_  
COMMISSIONER

#### CERTIFICATE OF SERVICE BY MAIL

I hereby certify that I have on this \_\_\_\_\_ day of \_\_\_\_\_, 2007, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]

Receipt No.